

# Exhibit 2

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

IN RE: . Case No. 21-30589 (MBK)  
. .  
LTL MANAGEMENT LLC, .  
. .  
Debtor. .  
. . . . .  
LTL MANAGEMENT, LLC, . Adversary No. 21-03032 (MBK)  
. .  
Plaintiff, .  
. .  
v. . Clarkson S. Fisher U.S.  
. Courthouse  
. 402 East State Street  
THOSE PARTIES LISTED ON . Trenton, NJ 08608  
APPENDIX A TO THE .  
COMPLAINT, ET AL., .  
. .  
Defendants. . Friday, February 18, 2022  
. 9:01 a.m.  
. . . . .

TRANSCRIPT OF TRIAL DAY FIVE  
BEFORE THE HONORABLE MICHAEL B. KAPLAN  
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

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\* \* \* \* \*

1 MR. GORDON: Yeah.

2 THE COURT: -- in different briefs.

3 MR. GORDON: Yeah. I think what you're referring --  
4 and these are good questions, Your Honor. This is complicated,  
5 so I appreciate your asking me. I think what you're referring  
6 to is the fact that, again, we tried to make clear in this  
7 funding agreement that if the value of New JJCI actually goes  
8 up post the transaction, then the value under the funding  
9 agreement also goes up.

10 And that goes to my point about it sets a floor based  
11 on the value of what Old JJCI was in the moment in time before  
12 this transaction minus or excluding the talc costs. And then  
13 if that value goes up, the estate would get the benefit of that  
14 value, as well.

15 THE COURT: Okay. Thank you.

16 MR. GORDON: And I just wanted to point out also in  
17 this slide, and I think Your Honor's probably seen there's  
18 literally no conditions or any material conditions on the  
19 permitted funding uses under this document. I'll come back to  
20 this.

21 So I did want to focus on permitted funding use  
22 because the other side I think has fashioned a new argument  
23 that we hadn't heard before with respect to the funding  
24 agreement. So there's basically two different scenarios where  
25 funding is available.

1           The first is funding in the tort system. And as you  
2 would expect, what that funding says is that the payors are  
3 obligated to pay the liabilities to the extent they're  
4 established by a judgement or a settlement in the tort system.  
5 That's what you would expect and that's what happens. You want  
6 funds available to pay settlements, to pay judgments in the  
7 tort system. So it makes very clear this is what we're talking  
8 about if there's no proceeding in bankruptcy. Whether there  
9 was no case filed or whether the case is filed or dismissed,  
10 the money's available for that purpose.

11           And you can imagine, Your Honor, by the way, the hue  
12 and cry you would have heard if this provision weren't in there  
13 because they would have said that we've manipulated the whole  
14 system because you filed bankruptcy and now you're going to  
15 tell the Court you can't dismiss our case because there's no  
16 money available if we go back in the tort system.

17           So this is there to protect the claimants. It's  
18 there to assure this isn't treated or consider a fraudulent  
19 conveyance. The idea was and the intent was the claimants are  
20 covered either way in bankruptcy or outside.

21           Now where the criticism I think has been focused is  
22 on this provision. And this talks about how the funding is  
23 used if a bankruptcy case is commenced. And what it talks  
24 about is if the payors are obligated to pay the liabilities in  
25 connection with the funding of one or more trusts for the

C E R T I F I C A T I O N

We, KAREN WATSON, DIPTI PATEL, ELIZABETH REID-GRIGSBY, LORI KNOLLMEYER, LIESL SPRINGER, and JOY K. BRENNAN court approved transcribers, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter, and to the best of our ability.

/s/ Karen Watson

/s/ Liesl Springer

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LIESL SPRINGER

/s/ Dipti Patel

/s/ Joy K. Brennan

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/s/ Elizabeth Reid-Grigsby

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Date: February 22, 2022